



Financial Statements

June 30, 2021

Housing Authority of the City of Idabel

Housing Authority of the City of Idabel
Idabel, Oklahoma
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P.O. Box 2663
Ada, OK 74821
580-332-4802
www.urlaubaccounting.com

Independent Auditor's Report

Board of Commissioners
Housing Authority of the City of Idabel
Idabel, Oklahoma

Report on the Financial Statements

We have audited the accompanying financial statements of the Housing Authority of the City of Idabel, Oklahoma, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Housing Authority of the City of Idabel's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Housing Authority of the City of Idabel, Oklahoma, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management Discussion & Analysis on page 4, Schedule of the Authority's Proportionate Share of the Net Pension Liability on page 28, Schedule of the Authority Contributions on pages 29, as listed on the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Housing Authority of the City of Idabel's basic financial statements. The accompanying Financial Data Schedule, and the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Financial Data Schedule and the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards are the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the reports listed in this paragraph are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The Financial Data Schedule, and Statement of Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 14, 2022, on our consideration of the Housing Authority of the City of Idabel's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Housing Authority of the City of Idabel's internal control over financial reporting and compliance.

Urlaub & Co., PLLC

Urlaub & Co., PLLC
Ada, Oklahoma
September 14, 2022

Housing Authority of the City of Idabel, Oklahoma
Management's Discussion and Analysis (MD & A)
June 30, 2021

The financial statements of the Housing Authority report information of the Housing Authority using accounting methods similar to those used by private sector companies. These statements offer short-term and long-term financial information about the Housing Authority's activities. The Statement of Net Assets includes all the Housing Authority's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and obligations to the Housing Authority's creditors (liabilities). It also provides the basis for evaluating the capital structure of the Housing Authority and assessing the liquidity and financial flexibility of the Housing Authority.

All of the current year's revenues and expenses are accounted for in the Statement of Changes in Net Position. This statement measures the success of the Housing Authority's operations over the past year and can be used to determine whether the Housing Authority has successfully recovered all its costs through its user fees and other charges, profitability and credit worthiness.

The Statement of Cash Flows reports cash receipts, cash payments, and net changes in cash resulting from operation, investing, and financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in the cash balance during the reporting period.

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

The section Supplemental Information Required by HUD contains the Financial Data Schedule (FDS). HUD has established Uniform Financial Reporting Standards that require the Housing Authority to submit financial information electronically to HUD using the FDS format. This financial information has been electronically transmitted to the Real Estate Assessment Center (REAC) for the year ended June 30, 2021.

Financial Analysis

The Housing Authority's basic financial statements are the Statement of Net Position and the Statement of Changes in Net Position. The Statement of Net Position provides a summary of the Housing Authority's assets and liabilities as of the close of business on June 30. The Statement of Changes in Net Position summarizes the revenues and sources of those revenues generated during the year ended June 30 and the expenses incurred in operating the Housing Authority for the year ended June 30.

The Housing Authority accounts for its public housing activities in two related programs. The Housing Authority has a low rent and a capital fund program that the Housing Authority uses for improvements to its low rent property. Our analysis below focuses on the net position and the change in net position of the Housing Authority as a whole and not the individual programs.

Housing Authority of the City of Idabel, Oklahoma
Management's Discussion and Analysis (MD & A)
June 30, 2021

Statement of Net Position
June 30, 2020 and 2021

Category	FYE 2021	FYE 2020	Change \$	Change %
Current Assets	995,453	789,146	206,307	26%
Non-Current Assets	4,199,616	4,137,929	61,687	1%
Total Assets	5,195,069	4,927,075	267,994	5%
Deferred Outflow of Resources	90,983	34,411	56,572	165%
Current Liabilities	90,899	72,022	18,877	101%
Non-Current Liabilities	115,673	30,966	84,707	274%
Total Liabilities	206,572	102,988	103,584	101%
Deferred Inflow of Resources	5,221	15,853	(10,632)	-67%
Unrestricted	880,135	710,459	169,676	5%
Net Investment in Capital Assets	4,194,124	4,132,186	61,938	1%
Total Net Position	5,074,259	4,842,645	231,614	5%

The unrestricted net position increased from \$710,459 to \$880,135 for the year end June 30, 2021, a net difference of \$169,676. This increase is attributable to the net profit obtained from operations, excluding depreciation expense.

Current assets increased by \$206,307 from the previous year.

Current liabilities increased by \$18,877 from the 2020 balance. The majority of the increase was attributable to Contract retention for a fire rebuild of \$11,906.47 and PILOT increasing by \$1,696.67.

Housing Authority of the City of Idabel, Oklahoma
Management's Discussion and Analysis (MD & A)
June 30, 2021

Statement of Changes in Net Position
For the Year Ended June 30, 2021 and 2020

Category	FYE 2021	FYE 2020	Change \$	Change %
Tenant Revenue	407,264	396,587	10,677	3%
Operating Grants	629,464	522,548	106,916	20%
Interest Income	1,401	2,613	(1,212)	-46%
Capital Grants	369,420	308,105	61,315	20%
Other Revenue	341,714	2,150	339,564	15794%
Total Revenue	1,749,263	1,232,003	517,260	42%
Administration	233,089	228,463	4,626	2%
Tenant Services	35	750	(715)	N/A
Utilities	77,525	83,909	(6,384)	-8%
Ordinary Maintenance	328,254	342,499	(14,245)	-4%
Protective Services	640	240	400	167%
General Expense	202,114	193,137	8,977	5%
Nonroutine Maint.	42,388	2,601	39,787	1530%
Depreciation	315,227	344,702	(29,475)	-9%
Total Expenses	1,199,272	1,196,301	2,971	0%
Excess of Revenue over Expenses	549,991	35,702	514,289	1441%
Casualty Losses	318,377	-	318,377	N/A
Total Nonoperating Revenues/(Expenses)	318,377		318,377	N/A
Change in Net Position	231,614	35,702	832,666	549%
Net Position, Beginning of Year	4,842,645	4,806,943	35,702	1%
Net Position, End of Year	5,074,259	4,842,645	231,614	5%

Total revenues of the Housing Authority increased by \$517,260 in the fiscal year 2021.

Significant changes in revenue and expenses consisted of the following items:

Tenant charges increased by \$10,667 due to increased occupancy rate.

Operating grants increased due to the use of Capital Funds and CARES Act Funding.

Housing Authority of the City of Idabel, Oklahoma
Management's Discussion and Analysis (MD & A)
June 30, 2021

Capital funds increased dramatically due to improvement projects incurred in the current year funded with Capital Fund Program proceeds.

Casualty losses consisted of repairs due to unit fires.

Capital Assets

At June 30, 2021, the Housing Authority had \$4,194,124 invested in capital assets. This amount represents a net increase of \$61,938 from the 2020 balance.

**Capital Assets at Year-end
(Net of Accumulated Depreciation)**

<u>Category</u>	FYE 2021	FYE 2020	Change \$	Change %
Land	62,440	62,440	-	0%
Buildings	11,590,688	11,590,688	-	0%
Equipment	281,624	273,878	7,746	3%
Accumulated Depreciation	(8,439,358)	(8,124,130)	(315,228)	4%
Construction in Progress	698,730	329,310	369,420	112%
Total Net Capital Assets	4,194,124	4,132,186	61,938	1%

Economic Factors

The Housing Authority is primarily dependent upon HUD for the funding of operations; therefore, the Housing Authority is affected more by the federal budget than by local economic conditions. The funding of other programs could be affected by the 2022 budget.

Contacting the Housing Authority's Financial Management

Our financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the Housing Authority's finances and to show the Housing Authority's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Dana Logan, Executive Director, at the Housing Authority of the city of Idabel, Oklahoma, 901 Lyndon Rd., Idabel, Oklahoma 74745, telephone number (580) 286-9444.

.Housing Authority of the City of Idabel
Idabel, Oklahoma
Statement of Net Position-Proprietary Fund Type
June 30, 2021

ASSETS

Current Assets:

Cash and Cash Equivalents-Unrestricted	\$ 897,239
Cash-Restricted	27,773
Receivables, Net of Allowances	14,274
Investments	26,177
Maintenance Inventories, Net of Allowance	10,116
Prepaid Expenses	19,874
Total Current Assets	995,453

Noncurrent Assets:

Capital Assets	
Land & Construction in Progress	761,170
Other Capital Assets, Net of Depreciation	3,432,954
Total Capital Assets	4,194,124
Other Noncurrent Assets	
Other Assets	5,492
Total Other Noncurrent Assets	5,492
Total Noncurrent Assets	4,199,616
Total Assets	5,195,069

DEFERRED OUTFLOW OF RESOURCES

Deferred Outflow of Resources	90,983
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LIABILITIES

Current Liabilities:

Accounts Payable	\$ 23,173
Wages/Payroll Taxes Payable	5,327
Accrued Employee Leave - Current	1,240
Intergovernmental Payables	27,276
Tenant Security Deposits	27,773
Unearned Income	4,387
Other Current Liabilities	1,723
Total Current Liabilities	90,899

Noncurrent Liabilities:

Accrued Employee Leave - Noncurrent	11,158
Net Pension & OPEB Obligation	104,515
Total Noncurrent Liabilities	115,673
Total Liabilities	206,572

DEFERRED INFLOW OF RESOURCES

Deferred Inflow of Resources	5,221
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NET POSITION

Investment in Net Capital Assets	4,194,124
Unrestricted	880,135
Total Net Position	\$ 5,074,259

The notes to the financial statements are an integral part of this statement.

Housing Authority of the City of Idabel
Idabel, Oklahoma
Statement of Revenues, Expenses, and Changes in Fund Net Position-
Proprietary Fund Type
For the Year Ended June 30, 2021

OPERATING REVENUES

Tenant Revenue	\$ 407,264
HUD Operating Grants	629,464
Other Revenue	<u>341,714</u>
Total Operating Revenues	<u>1,378,442</u>

OPERATING EXPENSES

Administrative	233,089
Tenant Services	35
Utilities	77,525
Maintenance	328,254
Protective Services	640
General	202,114
Nonroutine Maintenance	42,388
Depreciation	<u>315,227</u>
Total Operating Expenses	<u>1,199,272</u>

Net Operating Income (Loss)	<u>179,170</u>
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NONOPERATING REVENUES (EXPENSES)

Interest Income	1,401
Casualty Losses	<u>(318,377)</u>
Net Nonoperating Revenues (Expenses)	<u>(316,976)</u>

Income (Loss) Before Contributions	(137,806)
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Capital Contributions	<u>369,420</u>
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Change in Net Position	231,614
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Total Net Position-Beginning of Year	<u>4,842,645</u>
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Total Net Position-End of Year	<u>\$ 5,074,259</u>
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The notes to the financial statements are an integral part of this statement.

Housing Authority of the City of Idabel
Idabel, Oklahoma
Statement of Cash Flows-Proprietary Fund Type
For the Year Ended June 30, 2021

CASH FLOWS FROM OPERATING ACTIVITIES:

Cash Received from Grantor	\$ 618,770
Cash Received from Tenants	411,410
Cash Received from Misc. Sources	338,608
Cash Payments to Intergovernmental Payables	(25,580)
Cash Payments to Employees for Services	(184,192)
Cash Payments to Vendors	(649,856)

Net Cash Provided/(Used) by Operating Activities	509,160
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CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of Investments	(21)
Interest Received	1,401

Net Cash Provided/(Used) by Investing Activities	1,380
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CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Capital Grant Funding Received from HUD	369,420
Casualty Losses	(318,377)
Property and Equipment Purchased	(377,166)

Net Cash Provided/(Used) by Capital and Related Financing Activities	(326,123)
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Net Increase (Decrease) in Cash	184,417
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Cash and Cash Equivalent-Beginning of Year	740,595
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Cash and Cash Equivalent-End of Year	925,012
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Reconciliation to Cash Accounts	
Cash Equivalents-Unrestricted	897,239
Restricted Cash	27,773

Total Cash Equivalents	\$ 925,012
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The notes to the financial statements are an integral part of this statement

Housing Authority of the City of Idabel
Idabel, Oklahoma
Statement of Cash Flows-Proprietary Fund Type-Cont.
For the Year Ended June 30, 2021

***RECONCILIATION OF NET OPERATING INCOME TO CASH
PROVIDED/(USED) BY OPERATING ACTIVITIES:***

Net Operating Income (Loss)	\$ 179,170
Adjustments to Reconcile Net Operating Income to Net Cash Provided/ Used by Operating Activities:	
Depreciation	315,227
Increase in Accounts Rec - Operations	(13,758)
Increase in Maintenance Inventories	(951)
Increase in Prepaid Expenses	(7,160)
Increase in Operating Accounts Payable	18,458
Decrease in Wages/Payroll Taxes Payable	(7,088)
Increase in Unearned Revenue	1,952
Decrease in Accrued Leave	(148)
Increase in Tenant Security Deposits	2,152
Increase in Other Current Liabilities	1,723
Increase in Intergovernmental Payables	1,696
Decrease in Other Asset	568
Increase in Net Pension Obligation	84,840
Decrease in Deferred Inflow of Resources	(10,632)
Increase in Deferred Outflow of Resources	(56,889)
Net Cash Used by Operating Activities	<u><u>\$ 509,160</u></u>

The notes to the financial statements are an integral part of this statement.

Housing Authority of the City of Idabel
Idabel, Oklahoma
Notes to the Basic Financial Statements
June 30, 2021

Note 1 Reporting Entity

The Housing Authority of the City of Idabel was created for the purpose of administering Public Housing Programs authorized by the United States Housing Act of 1937. The Department of Housing and Urban Development has direct responsibility for the administering of low-income housing programs. The Housing Authority has entered into an annual contribution contract with the Department of Housing and Urban Development for the funding of these programs through annual contributions and subsidies.

The Housing Authority's basic financial statements include all organizations, activities, and functions that comprise the Housing Authority. Component units are legally separate entities for which the Housing Authority is financially accountable. The decision to include a component unit in the reporting entity is defined by applying the criteria identified by the Governmental Accounting Standards Board ("GASB") in its Statement No. 14, "The Financial Reporting Entity," as amended by GASB 61, "The Financial Reporting Entity: Omnibus."

Blended Component Units

Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same or substantially the same as the Board of Commissioners of the Housing Authority or the component unit provides services entirely to the Housing Authority. These component units are blended into those of the Housing Authority by appropriate activity type to compose the primary government presentation. As of June 30, 2021, management has determined that no component units are required to be reported.

The following programs are administered by the Housing Authority:

Public Housing Program-

This program consists of 198 public housing units. Under this program, HUD provides funding through an annual contribution contract. These funds, along with dwelling rental income received from the tenants, are used to maintain the dwelling units.

Capital Fund Program-

The purpose of this program is to provide funding for the modernization and improvement of the Public Housing Program. These resources allow the Housing Authority to provide capital improvements for the current dwelling structures and assist in their operations.

Local Fund

A Local Fund has been established to account for ineligible costs previously paid and owed back to the Public Housing Program.

Housing Authority of the City of Idabel
Idabel, Oklahoma
Notes to the Basic Financial Statements-Cont.
June 30, 2021

Note 2 Summary of Significant Accounting Policies

A. Basis of Accounting

The Housing Authority's basic financial statements consist of a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position, and a Statement of Cash Flows.

A Statement of Net Position provides information about the assets, liabilities, and net position of the Authority at the end of the year. Assets and liabilities are classified as current, non-current, or other assets. Net position is classified according to availability of assets to satisfy the Authority's obligations. Investment in Net Capital Assets represents that value of capital assets, net of accumulated depreciation, less any outstanding debt incurred to acquire or construct the assets. Restricted Component of Net Position represents resources that have been externally restricted for specific purposes. Unrestricted Component of Net Position includes all other net position, including those that have been designated by management to be used for other than general operating purposes.

A Statement of Revenues, Expenses and Changes in Net Position provides information about the Authority's financial activities during the year. Revenues and expenses are classified as either operating or non-operating, and all changes in net position are reported, including capital contributions. Operating revenues and expenses generally result from providing which is objective. Accordingly, revenue such as dwelling rent, operating grants and subsidies from HUD, and other tenant charges are considered to be operating revenues. Other revenues, such as interest income and capital contributions provided for building improvement projects or equipment purchases, are considered to be non-operating revenues. Operating expenses include: administrative, maintenance, utilities, tenant services, depreciation on capital assets, and other general expenses.

A Statement of Cash Flow provides information about the Authority's sources and uses of cash and cash equivalents during the year. Increases and decreases in cash and cash equivalents are classified as either, operating activities, non-capital financing, capital financing, or investing.

The Housing Authority uses a single enterprise fund to maintain its financial records on an accrual basis. The Housing Authority's individual programs are accounted for in self-balancing accounts to account for specific resources allocated to them for the purpose of carrying on programs requirements. The individual programs of the Housing Authority are considered to be a single Proprietary Fund Type.

The enterprise method is used to account for those operations that are financed and operated in a manner similar to private business, or where the board has decided that the determination of revenues earned, costs incurred, and/or net income is necessary for management accountability.

Housing Authority of the City of Idabel
Idabel, Oklahoma
Notes to the Basic Financial Statements-Cont.
June 30, 2021

The enterprise fund is accounted for on a flow of economic resources measurement focus and the accrual basis of accounting. All assets and all liabilities associated with the operation of the Housing Authority are included on the Statement of Net Position.

The accounting and reporting policies of the Housing Authority relating to the funds included in the accompanying financial statements conform to generally accepted accounting principles applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants in the publication entitled *Audits of State and Local Governmental Units*, and by the Financial Accounting Standards Board (FASB) when applicable.

B. Cash and Cash Equivalents

Cash and cash equivalents include all cash balances and highly liquid investments with a maturity of three months or less. Cash equivalents are carried at fair value. Investments with an initial maturity of more than three months are reported as investments.

The Housing Authority is authorized to invest in financial instruments that have been HUD approved. Generally, these financial instruments consist of direct obligations of the Federal Government, obligations of Federal Government agencies, demand and savings accounts, and Certificates of Deposits. Types and amounts of investments held at fiscal year-end are described in a subsequent note on investments.

C. Investments

Investments are stated at fair value, or at amortized cost, which approximates fair value. Investment income includes all realized and unrealized gains and losses. Interest income is recognized on the accrual basis.

D. Receivables

Tenant Accounts Receivable consists primarily of tenant charges, including dwelling rents, and other tenant charges earned at the end of the year.

E. Inventory

The Housing Authority's inventory balances consist of expendable supplies held for consumption. The inventory is valued at cost. The Housing Authority uses the first-in, first-out basis in determination of cost.

Housing Authority of the City of Idabel
Idabel, Oklahoma
Notes to Basic Financial Statements-Cont.
June 30, 2021

F. Fixed Assets

Fixed assets owned by the Housing Authority are recorded at cost or, in contributed property, at their fair market value at the time of contribution. Repairs and maintenance are recorded as expensed; renewals and betterments are capitalized. The policy of the Housing Authority is to capitalize all assets with a cost in excess of \$5,000. The exception is ranges and refrigerators which are capitalized regardless of cost. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Buildings	20-40 Years
Building Improvements	15-20 Years
Furniture & Equipment	3-10 Years

G. Restricted Assets

Restricted assets consist of tenant security deposits maintain under the Low Rent Housing Program.

H. Compensated Absences

The Housing Authority of the City of Idabel allows its full-time employees to carry over up to 40 hours of earned annual leave per calendar year, and such leave is fully vested when earned. Unused leave will be paid upon the termination of an employee.

I. Equity Classifications

Equity is classified as net position and displayed in three components.

Investment in Net Capital Assets – Consists of capital assets net of accumulated depreciation and reduced by any outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.

Restricted Component of Net Position - consists of assets that are restricted by limitations placed on these assets by an external source or party.

Unrestricted Component of Net Position – All other net position that does not meet the definition, of “restricted” or “investment in net capital assets”.

J. Determination of Use of Net Position Balances

When the Housing Authority incurs an expense for which it may use either restricted or unrestricted net position, it uses restricted net position first unless unrestricted net position will have to be returned due to funds not being utilized. Restricted net position is those assets which have been restricted by an outside party.

Housing Authority of the City of Idabel
Idabel, Oklahoma
Notes to Basic Financial Statements-Cont.
June 30, 2021

K. Revenue Recognition

The Proprietary Fund Type is accounted for an economical resources measurement focus using the accrual basis of accounting. Revenues are recognized when earned. Grant revenue is recognized when program expenditures are incurred and/or program funding is approved, depending on the requirements of the individual program type. Proprietary fund distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Housing Authority's enterprise fund are charges to tenants for rent and operating subsidies from HUD. Operating expenses for the enterprise fund include the costs of maintaining the facilities. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

L. Income Tax

The Housing Authority is a governmental subdivision of the City of Idabel and is exempt from Federal and State income taxes. Therefore, no provision for income taxes has been made in the accompanying financial statements.

M. Budget Policy and Practice

An annual Operating Budget is prepared and submitted to the Board of Commissioners for approval. A budget revision is prepared and approved prior to year-end to account for significant differences throughout the year that would reflect deviations from the original budget.

N. Interfund Transfers

During the course of operations, the Housing Authority's operations have utilized a centralized revolving account to record disbursements for the individual programs. These receivable and payable balances have been eliminated in the preparation of the basic financial statements. In addition, offsetting inter-program operating transfers between individual programs have been eliminated in the preparation of the financial statements.

O. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Housing Authority of the City of Idabel
Idabel, Oklahoma
Notes to Basic Financial Statements-Cont.
June 30, 2021

P. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Financial Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenses) until then. The PHA has two items that qualifies for reporting in this category. These items include the participation in the State of Oklahoma's Public Employees Retirement System and the corresponding share of collective other postemployment benefits associated with the plan.

Note 3 Cash and Investments

The Housing Authority's policies regarding cash and investment balances are discussed in Note 2.B. The composition of the Housing Authority's cash, cash equivalents and investments on June 30, 2021, was as follows:

Cash on hand, deposits in banks, savings deposits	\$ 925,012
U.S. certificates of deposit	<u>26,177</u>
Total Deposits	\$ <u>951,189</u>

Custodial credit risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Housing Authority will not be able to recover the value of its investment. The Housing Authority's bank balances in the amount of \$985,566 were secured through federal depository insurance or collateralized securities at June 30, 2021. The investment balances of \$26,177 were also secured through federal depository insurance or collateralized securities at June 30, 2021. The Housing Authority had no custodial credit risk for its investments as of June 30, 2021.

Interest rate risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Authority's policy minimizes the risk by staggering the maturity dates of its investments as well as limiting terms to one year.

Credit risk

Credit risk is defined as the risk that an issuer or other counterparts to an investment in debt securities will not fulfill its obligation.

Concentration of credit risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. Investments are concentrated to one primary financial institution. The concentration of credit risk is reduced by investing in secured certificates of deposit.

Housing Authority of the City of Idabel
Idabel, Oklahoma
Notes to Basic Financial Statements-Cont.
June 30, 2021

Note 4 Restricted Cash and Investments

Restricted assets consisted of the following:

Tenant Security Deposits	\$ <u>26,177</u>
Total Restricted Cash	\$ <u><u>26,177</u></u>

Note 5 Accounts Receivable

A summary of accounts receivable at June 30, 2021 is as follows:

Low Rent Housing Program:	
Accounts Receivable – Tenants	\$ 9,276
Allowance for Doubtful Accounts – Tenants	(8,939)
HUD - Public Housing Cares Act	10,831
Miscellaneous	<u>3,106</u>
Total Accounts Receivable	<u>\$14,274</u>

Note 6 Fixed Assets

A summary of capital assets at June 30, 2021 by class is as follows:

	Balance at 06/30/20	Additions	Retire./ Transfers	Balance at 06/30/21
Capital assets not being depreciated				
Land	\$ 62,440	\$ -	\$ -	\$ 62,440
Construction in Progress	<u>329,310</u>	<u>369,420</u>	<u>-</u>	<u>698,730</u>
Total capital assets not being depreciated	<u>391,750</u>	<u>369,420</u>	<u>-</u>	<u>761,170</u>
Capital assets being depreciated				
Buildings and Improvements	11,590,688	-	-	11,590,688
Furniture and Equipment	<u>273,878</u>	<u>7,746</u>	<u>-</u>	<u>281,624</u>
Total capital assets, being depreciated	<u>11,864,566</u>	<u>7,746</u>	<u>-</u>	<u>11,872,312</u>
Less Accumulated depreciation for:				
Buildings and Improvements	7,877,936	265,180	-	8,143,116
Furniture and Equipment	<u>246,194</u>	<u>50,048</u>	<u>-</u>	<u>296,242</u>
Total Accumulated Depreciation	<u>8,124,130</u>	<u>315,228</u>	<u>-</u>	<u>8,439,358</u>
Total capital assets, being depreciated, net	<u>3,740,436</u>	<u>(307,482)</u>	<u>-</u>	<u>3,432,954</u>
Net Capital Assets	<u>\$ 4,132,186</u>	<u>\$ 61,938</u>	<u>\$ -</u>	<u>\$ 4,194,124</u>

Depreciation expense is \$315,228 for the current year.

Housing Authority of the City of Idabel
Idabel, Oklahoma
Notes to Basic Financial Statements-Cont.
June 30, 2021

Note 7 Deferred Outflows/Inflows

The Deferred outflow balance consisted of the following items as of June 30, 2021:

Item	Amount
Related to Pension Plan	\$88,209
Related to OPEB Plan	2,774
Total	\$90,983

The Deferred Inflow balance consisted of the following items as of June 30, 2021

Item	Amount
Related to Pension Plan	\$ 571
Related to OPEB Plan	4,650
Total	\$ 5,221

Note 8 **Accounts Payable**

Accounts payable are composed of payables to the following:

Vendors & Contractors \$ 23,173

Note 9 **Inter-program Receivable and Payables**

Inter-program balances at June 30, 2021 consisted of the following individual program receivables and payables:

	<u>Receivable</u>	<u>Payable</u>
Local Fund	\$ -----	\$ 196,878
Public Housing CARES Act		10,831
Low Rent Housing Program	<u>207,709</u>	<u>-----</u>
Total	\$ <u>207,709</u>	\$ <u>207,709</u>

These accounts balances were eliminated in the preparation of the general-purpose financial statements. These account balances represent amounts allocated between individual programs.

Note 10 **Accrued Leave**

As of June 30, 2021, the Accrued Leave balance was \$12,398. Of this amount, \$1,240 was classified as current, with the remaining portion of \$11,158 classified as noncurrent.

Balance as of 6/30/20	Earned	Taken	Balance as of 6/30/21	Due Within 1 Year
\$ 12,546	\$ 14,660	\$ 14,808	\$ 12,398	\$ 1,240

Housing Authority of the City of Idabel
Idabel, Oklahoma
Notes to Basic Financial Statements-Cont.
June 30, 2021

Note 11 Unearned Income

The unearned income balance of \$2,435 consists of the following items:

Item	Balance
Tenant Prepaid Rents	\$ 4,387

Note 12 Pension Plan – Oklahoma Public Employees Retirement System

Plan Description: Substantially all of the Authority's full-time employees participate in a public employee retirement system authorized under the Oklahoma Statutes Title 74, Section 901 – 932, and 935. The Oklahoma Public Employees Retirement System (OPERS) is the administrator of the plan, which is a cost-sharing multiple-employer defined benefit retirement plan. The plan provides for retirement benefits, disability benefits, survivor benefits and cost-of living adjustments to plan members and beneficiaries. OPERS issues a separate, publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by accessing the OPERS website at <http://www.opers.ok.gov>.

Members qualify for full retirement benefits at their specified normal retirement age or, for any person who became a member prior to July 1, 1992, when the sum of the member's age and years of credited service equals or exceeds 80 (Rule of 80), and for any person who became a member after June 30, 1992, when the member's age and years of credited service equals or exceeds 90 (Rule of 90). Normal retirement date is further qualified to require that all members employed on or after January 1, 1983 must have six or more years of full-time equivalent employment with a participating employer before being eligible to receive benefits. Credited service is the sum of participating and prior service. Prior service includes nonparticipating service before January 1, 1975, or the entry date of the employer and active wartime military service.

A member with a minimum of ten years of participating service may elect early retirement with reduced benefits beginning at age 55 if the participant became a member prior to November 1, 2011, or age 60 if the participant became a member on or after November 1, 2011.

Contributions: The contribution rates for each member category of the System are established by the Oklahoma Legislature after recommendation by the Board based on an actuarial calculation, which is performed to determine the adequacy of such contribution rates. An actuarially determined portion of the total contributions to the System are set aside to finance the cost of the benefits of the HISP in accordance with provisions of the Internal Revenue Code.

Housing Authority of the City of Idabel
Idabel, Oklahoma
Notes to Basic Financial Statements-Cont.
June 30, 2021

Employees are required to contribute 5.5 percent of their annual pay. The Authority's contractually required contribution rate for the year ended June 30, 2021 was 14.5 percent of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the Authority were \$56,357 for the year ended June 30, 2021, consisting of employer portion of \$38,424 and employee portion of \$17,933.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2021, the Authority reported a liability of \$63,481 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities as, actuarially determined. At June 30, 2020, the Authority's proportion was 0.01171483 percent.

For the year ended June 30, 2021, the Authority recognized pension expense of \$63,481. At June 30, 2021, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Item	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual earnings on pension plan investments	\$ 12,419	\$ 571
Changes of Assumptions	\$ 37,332	-----
Net difference between expected and actual experience	-----	-----
Authority contributions subsequent to the measurement date	\$ 38,458	-----
Total	\$ 88,209	\$ 571

The amount of \$38,458 reported as deferred outflows of resources related to pensions resulting from the Authority contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021.

Housing Authority of the City of Idabel
Idabel, Oklahoma
Notes to Basic Financial Statements-Cont.
June 30, 2021

Actuarial assumptions. The total pension liability in the June 30, 2020 actuarial valuation, prepared as of July 1, 2019 was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Investment rate of return	6.5% annual rate, net of investment expense
Payroll growth	3.25% annual rate
Projected salary increases	3.5% to 9.5% annual rate
Inflation	2.50% annual rate
Mortality rates	In 2020, Pub-2010 Below Media, General Membership Active/retiree Healthy Mortality Table with base rates projected to 2030 using Scale MP-2019. Male rates are set back one year, and female rates are set forward one year.
Actual cost method	Entry age
Select period for the termination of employment assumptions	10 years

The long-term expected rate of return on pension plan investments was determined using A log-normal distributional analysis in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target asset allocation and best estimates of geometric real rates of return for each major asset class as of June 30, 2018 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Large Cap Equity	34.0%	4.7%
U.S. Small Cap Equity	6.0%	5.8%
Int's Developed Equity	23.0%	6.5%
Emerging Market Equity	5.0%	8.5%
Core Fixed Income	25.0%	0.5%
Long Term Treasuries	3.5%	0.0%
US TIPS	3.5%	0.3%
Total	100.0%	

Discount rate. The discount rate used to measure the total pension liability was 6.5 percent. The projection of cash flows used to determine the discount rate assumed that contributions from System members and the employers will be made at the current contribution rate as set out in State statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current System members. Therefore, the long-term expected rate of return on pension plan investments was

Housing Authority of the City of Idabel
Idabel, Oklahoma
Notes to Basic Financial Statements-Cont.
June 30, 2021

applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determined does not use a municipal bond rate.

Sensitivity of the net pension liability to changes in the discount rate – The following presents the net pension liability using the discount rate of 6.5% as well as what the employers' liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
Authority's proportionate share of the net pension liability	\$246,037	\$104,515	\$(15,069)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial report.

Funding Policy: Plan members are required to contribute 5.5% of their gross salary. The Authority is required to contribute 14.5% of the gross covered salary. The contribution requirements of plan members and the Authority are established by State statute.

The Authority's contributions to OPERS for the fiscal years ending June 30, 2021, 2020, and 2019 were \$38,424, \$33,549, and \$40,581, respectively.

Note 13 Other Post-Employment Benefits

The Authority participates in a multiple-employer, cost-sharing public employee retirement plan, which is a defined benefit pension plan. As part of this plan, a health insurance premium subsidy is provided to those who elect to maintain health insurance with the Oklahoma Employees Group Insurance Division (EGID) or other qualified insurance plan provided. This subsidy continues until the retiree terminates health insurance coverage, or until death.

Benefits:

Benefits are determined at 2% of the average annual salary received during the highest thirty-six months of the last ten years of participating service, but not to exceed the applicable salary cap, multiplied by the number of years of credited service. Members who join OPERS on or after July 1, 2013, will have their salary averaged over the highest 60 months of the last ten years. Normal retirement age under the System is 62 or Rule of 80/90 if the participant became a member prior to November 1, 2011, or age 65 or Rule of 90 if the participant became a member on or after November 1, 2011.

Housing Authority of the City of Idabel
Idabel, Oklahoma
Notes to Basic Financial Statements-Cont.
June 30, 2021

Members who elect to pay the additional contribution rate, which became available in January 2004, will receive benefits using a 2.5% computation factor for each full year the additional contributions are made. In 2004, legislation was enacted to provide an increased benefit to retiring members who were not yet eligible for Medicare. The Medicare Gap benefit option

became available to members under age 65 who retired on or after May 1, 2006. Members may elect to receive a temporary increased benefit to cover the cost of health insurance premiums until the member is eligible to receive Medicare. After the member becomes eligible for Medicare, the retirement benefit will be permanently reduced by an actuarially determined amount. The option is irrevocable, must be chosen prior to retirement, and is structured to have a neutral actuarial cost to the System.

Members become eligible to vest fully upon termination of employment after attaining eight years of credited service, or the members' contributions may be withdrawn upon termination of employment.

Membership

As of June 30 2021, participants consisted of:

Inactive members or their beneficiaries currently receiving benefits	36,351
Inactive members entitled to but not yet receiving benefits	6,133
Active Members	31,711
Total	74,195

Funding Policy

The contribution rates are established by the Oklahoma Legislature after recommendation by the Board based on actuarial calculation, which is performed to determine the adequacy of such contribution rates.

For the calendar year 2020 and 2021, contributions totaled 20% of salary composed of a minimum employee contribution rate of 5.5% for the employee and 14.5% for the Authority's portion.

Members have the option to elect to increase the benefit computation factor for all future service from 2.0% to 2.5%. The election is irrevocable, binding for all future employment under OPERS, and applies only to full years of service.

Housing Authority of the City of Idabel
Idabel, Oklahoma
Notes to Basic Financial Statements-Cont.
June 30, 2021

Net OPEB Obligation

The OPEB liability (asset) was calculated from an actuarial valuation as of July 1, 2020 (measurement date). The net OPEB liability (asset) is the portion of the actuarial present value of projected benefit payments related to past periods. The net OPEB liability (asset) for the Authority is based on the calculated percentage of the Authority's allocation as compared to the total allocations.

	Total Plan	Authority Portion
Net OPEB asset - Beginning July 1, 2019	\$ (38,874,741)	\$ (4,554)
Total OPEB expense	(2,706,115)	(317)
Change in deferred outflows of resources	17,839,471	2,090
Change in deferred inflows of resources	(3,905,637)	(458)
OPEB plan employer contributions	(19,236,000)	(2,253)
Net OPEB asset - Ending June 30, 2020	\$ (46,883,022)	\$ (5,492)

Funded Status

The funding status of the Plan was as follows:

Total OPEB Liability	\$ 328,431,762
Fiduciary Net Position	375,314,784
Net OPEB Liability (Asset)	(46,883,022)
Ratio of Fiduciary Net Position to total OPEB Liability	114.27%

Actuarial Methods and Assumptions

The following information was used regarding the actuarial assumptions and other inputs used to measure the total OPEB liability. The total OPEB liability as of June 30, 2020 was determined based on an actuarial valuation prepared as of July 1, 2020, using the following actuarial assumptions and other inputs:

Housing Authority of the City of Idabel
Idabel, Oklahoma
Notes to Basic Financial Statements-Cont.
June 30, 2021

Item	Assumption
Investment Return	6.50%
Salary increases,	3.5% to 9.25%
Mortality Rates	In 2020, Pub-2010 Below Media, General Membership Active/Retiree Healthy Mortality Table with base rates projected to 2030 using Scale MP-2019. Male rates are set back one year, and female rates are set forward one year.
No annual post-retirement benefit increases	
Assumed inflation rate	2.5% for 2020 and 2.75% in 2019
Payroll growth	3.25% for 2020 and 3.5% for 2019
Actuarial cost method	Entry age
Select period for the termination of employment assumptions	10 years
Health Care Trend Rate	Not applicable based on how the System is structured and benefit payments are made

Note 14 Risk Management

The Housing Authority is exposed to various risks of loss related to torts; damage to; and theft or destruction of assets; errors and omissions; injuries to employees and natural disaster. The Housing Authority manages these various risks of loss as follows:

<u>Type of Loss</u>	<u>Method Managed</u>
a. Employee Dishonesty	Purchased insurance with Housing Authority Risk Retention
b. Physical Property Loss	Purchased insurance with Housing Authority Insurance Services, Inc.
c. Liability	Purchased insurance with Housing Authority Risk Retention
d. Worker's Compensation	Purchased insurance with Comp Source of Oklahoma
e. Automobile Liability	Purchased insurance with Traveler's Property Casualty Company of America
f. Flood Insurance	Purchased with Philadelphia Indemnity Insurance

Management believes such coverage is sufficient to preclude any significant uninsured losses to the Authority. There have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage except for deductibles.

Housing Authority of the City of Idabel
Idabel, Oklahoma
Notes to Basic Financial Statements-Cont.
June 30, 2021

Note 15 Commitments and Contingencies

Contingencies

The Authority participates in grant programs which are governed by various rules and regulations of grantor agencies and therefore subject to their review and audits. Such audits could lead to a request for reimbursement to the agency for ineligible expenditures.

Grant Commitments

The Authority had the following grant commitments in progress at June 30, 2021. These grants are summarized as follows:

	<u>Grant</u>	<u>Grant</u> <u>Award</u>	<u>Grant</u> <u>Expend. thru</u> <u>June 30, 2021</u>
Capital Fund Program 501-18		\$ 355,709	\$ 355,709
Capital Fund Program 501-19		\$ 367,180	\$ 358,192
Capital Fund Program 501-20		\$ 396,852	-----
Capital Fund Program 501-21		\$ 412,432	-----

Subsequent Contracts

Subsequent to the fiscal year end, the Authority entered into a contract in the amount of \$490,606 for rehab work at site OK004-1 and OK044-2.

Note 16 Economic Dependency

The Housing Authority is economically dependent on annual contributions and grants received from HUD. The extent of this funding from HUD depends upon appropriations from the federal level.

Note 17 Subsequent Events

Management has evaluated subsequent events through September 14, 2022, the date that the financial statements were available to be issued. Management has determined no events or transactions have occurred subsequent to the balance sheet date that require disclosure in the financial statements.

Housing Authority of the City of Idabel
Idabel, Oklahoma
Schedule of the Authority's Proportionate Share of the Net Pension Liability (RSI)
Oklahoma Public Employee Retirement System
Last 10 Fiscal Years *

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Authority's proportion of the net pension liability	.011714%	0.014772%	0.013462%	0.013443%	0.013443%	0.011012%	0.0121345%	N/A	N/A	N/A
Authority's proportionate share of the net pension liability	\$104,515	\$19,675	\$26,258	\$72,684	\$89,608	\$39,612	\$ 22,275	N/A	N/A	N/A
Authority's covered-employee payroll	\$264,996	\$274,933	\$279,868	\$250,406	\$259,688	\$183,008	\$ 215,759	N/A	N/A	N/A
Authority's proportionate share on the net pension liability as a percentage of its covered-employee payroll	39%	8%	9%	29%	35%	22%	10%	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	91.59%	91.59%	97.96%	94.28%	89.48%	96.0%	97.90%	N/A	N/A	N/A

* Previous year data was unavailable as 2015 represents the first fiscal year that the Authority and the Public Employees Retirement Plan has implemented the reporting requirements of GASB Statement 68.

See accompanying notes to the financial statements.

Housing Authority of the City of Idabel
Idabel, Oklahoma
Schedule of the Authority Contributions (RSI)
Oklahoma Public Employee Retirement System
Last 10 Fiscal Years *

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Contractually required contribution	\$56,356	\$47,223	\$55,974	\$ 50,081	\$ 40,793	\$ 36,602	\$ 41,523	N/A	N/A	N/A
Contributions in relation to the contractually required contributions	\$56,356	\$47,223	\$55,974	\$ 50,081	\$ 40,793	\$ 36,602	\$ 41,523	N/A	N/A	N/A
Contribution deficiency (excess)	\$-----	\$ -----	\$ -----	\$ -----	\$ -----	\$ -----	\$ -----	N/A	N/A	N/A
Authority's covered-employee payroll	\$264,996	\$274,933	\$279,868	\$250,406	\$259,688	\$183,008	\$215,759	N/A	N/A	N/A
Contributions as a percentage of covered-employee payroll	21.27%	18%	20.00%	19.99%	15.71%	20.00%	19.25%	N/A	N/A	N/A

* Previous year data was unavailable as 2015 represents the first fiscal year that the Authority and the Public Employees Retirement Plan has implemented the reporting requirements of GASB Statement 68.

See accompanying notes to the financial statements.

Housing Authority of the City of Idabel
Idabel, Oklahoma
Oklahoma Public Employees Retirement System (OPERS)
Notes to Required Supplementary Information

The following actuarial methods and assumptions were used to determine contribution reported in the Schedule of Contributions. The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Actuarially determined contributions are calculated as of the the start of the fiscal year.

Additional information as of the actuarial valuations and the changes in the assumptions are as follows:

Actuarial Cost Method	Entry Age
Amortization Method	Level Percent of Payroll, Closed
Remaining Amortization Period	7 years
Asset Valuation Method	5-year Moving Average
Inflation	2.5% for 2021 and 2020, 2.75% for 2019, 2018, and 2017
Investment Rate of Return	6.5% 2021 and 2020, 7.0% for 2019, 2018, and 2017
Retirement age	Age 65 for all members hired on or after November 1, 2011, age 62 for members hired prior to November 1, 2011
Mortality	For 2021 – Pub-2010 Below Median, General membership Active/Retiree Healthy Mortality table with base rates projected to 2030 using Scale MP-2019. Males rate are unadjusted, and female rates are set forward two years.

Housing Authority of the City of Idabel
Idabel, Oklahoma
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2021

<u>Federal Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>
U.S. Department of Housing and Urban Development		
Low Rent Housing Program	14.850	\$ 584,354
Public Housing Program – CARES Act	14.850	30,151
Capital Fund Program	14.872	<u>384,379</u>
Total Expenditures of Federal Awards		\$ <u>998,884</u>

The accompanying notes are an integral part of this schedule.

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal award activity of the Housing Authority of the City of Idabel under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Housing Authority of the City of Idabel, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Housing Authority of the City of Idabel.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Housing Authority of the City of Idabel
Idabel, Oklahoma
Financial Data Schedule
June 30, 2021

Line Item No.	Description	Project Totals	Public Housing CARES Act	State/Local	Program Totals	Subtotal	Elimination	Total
Balance Sheet								
111	Cash-unrestricted	\$ 897,239			\$ -	\$ 897,239		\$ 897,239
112	Cash-restricted-modernization and development	\$ -			\$ -	\$ -		\$ -
113	Cash-other restricted				\$ -	\$ -		\$ -
114	Cash-tenant security deposits	\$ 27,773			\$ -	\$ 27,773		\$ 27,773
115	Cash - Restricted for payment of current liability				\$ -	\$ -		\$ -
100	Total Cash	\$ 925,012	\$ -		\$ -	\$ 925,012	\$ -	\$ 925,012
121	Accounts receivable - PHA projects				\$ -	\$ -		\$ -
122-010	Accounts receivable - HUD other projects - Operating Subsidy	\$ -	\$ 10,831		\$ 10,831	\$ 10,831		\$ 10,831
122-020	Accounts receivable - HUD other projects - Capital fund	\$ -	\$ -		\$ -	\$ -		\$ -
122-030	Accounts receivable - HUD other projects - Other				\$ -	\$ -		\$ -
122	Accounts receivable - HUD other projects	\$ -	\$ -		\$ -	\$ -		\$ -
124	Account receivable - other government	\$ -			\$ -	\$ -		\$ -
125-010	Account receivable - miscellaneous - Not For Profit				\$ -	\$ -		\$ -
125-020	Account receivable - miscellaneous - Partnership				\$ -	\$ -		\$ -
125-030	Account receivable - miscellaneous - Joint Venture				\$ -	\$ -		\$ -
125-040	Account receivable - miscellaneous - Tax Credit				\$ -	\$ -		\$ -
125-050	Account receivable - miscellaneous - Other	\$ 3,106			\$ -	\$ 3,106		\$ 3,106
125-060	Other - Comment				\$ -	\$ -		\$ -
125	Account receivable - miscellaneous	\$ 3,106	\$ -		\$ -	\$ 3,106		\$ 3,106
126	Accounts receivable - tenants	\$ 1,812			\$ -	\$ 1,812		\$ 1,812
126.1	Allowance for doubtful accounts - tenants	\$ (1,475)			\$ -	\$ (1,475)		\$ (1,475)
126.2	Allowance for doubtful accounts - other	\$ -			\$ -	\$ -		\$ -
127	Notes, Loans, & Mortgages Receivable - Current	\$ -			\$ -	\$ -		\$ -
128	Fraud recovery	\$ 7,464			\$ -	\$ 7,464		\$ 7,464
128.1	Allowance for doubtful accounts - fraud	\$ (7,464)			\$ -	\$ (7,464)		\$ (7,464)
129	Accrued interest receivable	\$ -			\$ -	\$ -		\$ -
120	Total receivables, net of allowance for doubtful accounts	\$ 3,443	\$ 10,831		\$ 10,831	\$ 14,274	\$ -	\$ 14,274
131	Investments - unrestricted	\$ 26,177			\$ -	\$ 26,177		\$ 26,177
132	Investments - restricted				\$ -	\$ -		\$ -
135	Investments - Restricted for payment of current liability				\$ -	\$ -		\$ -
142	Prepaid expenses and other assets	\$ 19,874			\$ -	\$ 19,874		\$ 19,874
143	Inventories	\$ 10,648			\$ -	\$ 10,648		\$ 10,648
143.1	Allowance for obsolete inventories	\$ (532)			\$ -	\$ (532)		\$ (532)
144	Inter program - due from	\$ 207,709			\$ -	\$ 207,709	\$ -207,709	\$ -
145	Assets held for sale				\$ -	\$ -		\$ -
150	Total Current Assets	\$ 1,192,331	\$ 10,831		\$ 10,831	\$ 1,203,162	\$ (207,709)	\$ 995,453
161	Land	\$ 62,440			\$ -	\$ 62,440		\$ 62,440
162	Buildings	\$ 9,922,056			\$ -	\$ 9,922,056		\$ 9,922,056
163	Furniture, equipment and machinery - dwellings	\$ 162,962			\$ -	\$ 162,962		\$ 162,962
164	Furniture, equipment and machinery - administration	\$ 118,662			\$ -	\$ 118,662		\$ 118,662
165	Leasehold improvements	\$ 1,668,632			\$ -	\$ 1,668,632		\$ 1,668,632
166	Accumulated depreciation	\$ (8,439,358)			\$ -	\$ (8,439,358)		\$ (8,439,358)
167	Construction in progress	\$ 698,730			\$ -	\$ 698,730		\$ 698,730
168	Infrastructure				\$ -	\$ -		\$ -
160	Total capital assets, net of accumulated depreciation	\$ 4,194,124	\$ -		\$ -	\$ 4,194,124	\$ -	\$ 4,194,124
171	Notes, Loans, & mortgages receivable - Non-current	\$ -	\$ -		\$ -	\$ -	\$0	\$ -
172	Notes, Loans, & mortgages receivable - Non-current - past due	\$ -	\$ -		\$ -	\$ -		\$ -
173	Grants receivable - Non-current				\$ -	\$ -		\$ -
174-010	Other assets - Not For Profit				\$ -	\$ -		\$ -
174-020	Other assets - Partnership				\$ -	\$ -		\$ -
174-030	Other assets - Joint Venture				\$ -	\$ -		\$ -
174-040	Other assets - Tax Credit				\$ -	\$ -		\$ -
174-050	Other assets - Other	\$ 5,492			\$ -	\$ 5,492		\$ 5,492
174-060	Other - Comment				\$ -	\$ -		\$ -
174	Other assets	\$ 5,492	\$ -		\$ -	\$ 5,492		\$ 5,492
176	Investment in joint venture	\$ -	\$ -		\$ -	\$ -		\$ -
180	Total Non-current Assets	\$ 4,199,616	\$ -		\$ -	\$ 4,199,616	\$ -	\$ 4,199,616
200	Deferred Outflow of Resources	\$ 90,983				\$ 90,983		\$ 90,983
290	Total Assets and Deferred Outflow of Resources	\$ 5,482,930	\$ 10,831	\$ -	\$ 10,831	\$ 5,493,761	\$ (207,709)	\$ 5,286,052

Housing Authority of the City of Idabel
Idabel, Oklahoma
Financial Data Schedule-Cont.
June 30, 2021

Line Item No.	Description	Project Totals	Public Housing CARES Act	State/Local	Program Totals	Subtotal	Elimination	Total
	Balance Sheet							
311	Bank overdraft				\$ -	\$ -		\$ -
312	Accounts payable <= 90 days	\$ 23,173			\$ -	\$ 23,173		\$ 23,173
313	Accounts payable > 90 days past due				\$ -	\$ -		\$ -
321	Accrued wage/payroll taxes payable	\$ 5,327			\$ -	\$ 5,327		\$ 5,327
322	Accrued compensated absences - current portion	\$ 1,240			\$ -	\$ 1,240		\$ 1,240
324	Accrued contingency liability				\$ -	\$ -		\$ -
325	Accrued interest payable				\$ -	\$ -		\$ -
331-010	Accounts payable - HUD PHA Programs - Operating Subsidy				\$ -	\$ -		\$ -
331-020	Accounts payable - HUD PHA Programs - Capital fund				\$ -	\$ -		\$ -
331-030	Accounts payable - HUD PHA Programs - Other				\$ -	\$ -		\$ -
331	Accounts payable - HUD PHA Programs	\$ -	\$ -		\$ -	\$ -		\$ -
332	Accounts payable - PHA Projects				\$ -	\$ -		\$ -
333	Accounts payable - other government	\$ 27,276			\$ -	\$ 27,276		\$ 27,276
341	Tenant security deposits	\$ 27,773	\$ -		\$ -	\$ 27,773		\$ 27,773
342-010	Unearned revenue - Operating Subsidy				\$ -	\$ -		\$ -
342-020	Unearned revenue - Capital fund	\$ -			\$ -	\$ -		\$ -
342-030	Unearned revenue - Other	\$ 4,387	\$ -		\$ -	\$ 4,387		\$ 4,387
342	Unearned revenue	\$ 4,387	\$ -		\$ -	\$ 4,387		\$ 4,387
343-010	CFFP				\$ -	\$ -		\$ -
343-020	Capital Projects/ Mortgage Revenue				\$ -	\$ -		\$ -
343	Current portion of long-term debt - capital projects/mortgage revenue bonds	\$ -	\$ -		\$ -	\$ -		\$ -
344	Current portion of long-term debt - operating borrowings		\$ -		\$ -	\$ -		\$ -
345	Other current liabilities	\$ 1,723	\$ -		\$ -	\$ 1,723		\$ 1,723
346	Accrued liabilities - other	\$ -	\$ -		\$ -	\$ -		\$ -
347	Inter program - due to		\$ 10,831	\$ 196,878	\$ 207,709	\$ 207,709	-\$207,709	\$ -
348-010	Loan liability - current - Not For Profit				\$ -	\$ -		\$ -
348-020	Loan liability - current - Partnership				\$ -	\$ -		\$ -
348-030	Loan liability - current - Joint Venture				\$ -	\$ -		\$ -
348-040	Loan liability - current - Tax Credit				\$ -	\$ -		\$ -
348-050	Loan liability - current - Other				\$ -	\$ -		\$ -
348-060	Other - Comment				\$ -	\$ -		\$ -
348	Loan liability - current	\$ -	\$ -		\$ -	\$ -		\$ -
310	Total Current Liabilities	\$ 90,899	\$ 10,831	\$ 196,878	\$ 207,709	\$ 298,608	\$ (207,709)	\$ 90,899
351-010	Long-term debt - CFFP				\$ -	\$ -		\$ -
351-020	Long-term - Capital Projects/ Mortgage Revenue				\$ -	\$ -		\$ -
351	Capital Projects/ Mortgage Revenue Bonds	\$ -	\$ -		\$ -	\$ -		\$ -
352	Long-term debt, net of current - operating borrowings	\$ -	\$ -		\$ -	\$ -	\$0	\$ -
353	Non-current liabilities - other				\$ -	\$ -		\$ -
354	Accrued compensated absences - Non-current	\$ 11,158	\$ -		\$ -	\$ 11,158		\$ 11,158
357	Accrued Pension and OPEB Liability	\$ 104,515			\$ -	\$ 104,515		\$ 104,515
350	Total Non-current liabilities	\$ 115,673	\$ -		\$ -	\$ 115,673	\$ -	\$ 115,673
300	Total Liabilities	\$ 206,572	\$ 10,831	\$ 196,878	\$ 207,709	\$ 414,281	\$ (207,709)	\$ 206,572
400	Deferred Inflow of Resources	\$ 5,221				\$ 5,221		\$ 5,221
508.1	Invested in capital assets, net of related debt	\$ 4,194,124	\$ -		\$ -	\$ 4,194,124		\$ 4,194,124
511.1	Restricted Net Assets	\$ -	\$ -		\$ -	\$ -		\$ -
512.1	Unrestricted Net Assets	\$ 1,077,013	\$ -	\$ (196,878)	\$ (196,878)	\$ 880,135		\$ 880,135
513	Total Equity/Net Assets	\$ 5,271,137	\$ -	\$ (196,878)	\$ (196,878)	\$ 5,074,259	\$ -	\$ 5,074,259
600	Total Liabilities, Deferred Inflows and Equity	\$ 5,482,930	\$ 10,831	\$ -	\$ 10,831	\$ 5,493,761	\$ (207,709)	\$ 5,286,052

Housing Authority of the City of Idabel
Idabel, Oklahoma
Financial Data Schedule-Cont.
June 30, 2021

Line Item No.	Description	Low Rent	Capital Fund	Project Totals	Public Housing CARES Act	State/Local	Subtotal	Elimination	Total
Income Statement									
70300	Net tenant rental revenue	\$ 367,553	\$ -	\$ 367,553	\$ -	\$ -	\$ 367,553		\$ 367,553
70400	Tenant revenue - other	\$ 39,711	\$ -	\$ 39,711	\$ -	\$ -	\$ 39,711		\$ 39,711
70500	Total Tenant Revenue	\$ 407,264	\$ -	\$ 407,264	\$ -	\$ -	\$ 407,264	\$ -	\$ 407,264
70600	HUD PHA operating grants	\$ 584,354	\$ 14,959	\$ 599,313	\$ 30,151		\$ 629,464		\$ 629,464
70610	Capital grants	\$ -	\$ 369,420	\$ 369,420	\$ -	\$ -	\$ 369,420		\$ 369,420
70710	Management Fee						\$ -		\$ -
70720	Asset Management Fee						\$ -		\$ -
70730	Book-Keeping Fee						\$ -		\$ -
70740	Front Line Service Fee			\$ -			\$ -		\$ -
70750	Other Fees			\$ -			\$ -		\$ -
70700	Total Fee Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
70800	Other government grants			\$ -			\$ -		\$ -
71100-010	Housing Assistance Payment			\$ -			\$ -		\$ -
71100-020	Administrative Fee			\$ -			\$ -		\$ -
71100	Investment income - unrestricted	\$ 1,401	\$ -	\$ 1,401	\$ -	\$ -	\$ 1,401		\$ 1,401
71200	Mortgage interest income			\$ -			\$ -		\$ -
71300	Proceeds from disposition of assets held for sale			\$ -			\$ -		\$ -
71310	Cost of sale of assets			\$ -			\$ -		\$ -
71400-010	Housing Assistance Payment			\$ -			\$ -		\$ -
71400-020	Administrative Fee			\$ -			\$ -		\$ -
71400	Fraud recovery	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
71500	Other revenue	\$ 341,714	\$ -	\$ 341,714	\$ -	\$ -	\$ 341,714		\$ 341,714
71600	Gain or loss on sale of capital assets	\$ -	\$ -	\$ -	\$ -		\$ -		\$ -
72000-010	Housing Assistance Payment			\$ -			\$ -		\$ -
72000-020	Administrative Fee			\$ -			\$ -		\$ -
72000	Investment income - restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
70000	Total Revenue	\$ 1,334,733	\$ 384,379	\$ 1,719,112	\$ 30,151	\$ -	\$ 1,749,263	\$ -	\$ 1,749,263
91100	Administrative salaries	\$ 141,506	\$ -	\$ 141,506	\$ -		\$ 141,506		\$ 141,506
91200	Auditing fees	\$ 6,898	\$ -	\$ 6,898			\$ 6,898		\$ 6,898
91300	Management Fee		\$ -				\$ -		\$ -
91310	Book-Keeping Fee		\$ -				\$ -		\$ -
91400	Advertising and Marketing	\$ 124	\$ -	\$ 124	\$ -		\$ 124		\$ 124
91500	Employee benefit contributions - administrative	\$ 51,923	\$ -	\$ 51,923	\$ -		\$ 51,923		\$ 51,923
91600	Office Expenses	\$ 9,308	\$ -	\$ 9,308	\$ -	\$ -	\$ 9,308		\$ 9,308
91700	Legal Expense	\$ -	\$ -	\$ -			\$ -		\$ -
91800	Travel	\$ -	\$ -	\$ -			\$ -		\$ -
91810	Allocated Overhead		\$ -				\$ -		\$ -
91900	Other	\$ 19,286	\$ -	\$ 19,286	\$ 4,044	\$ -	\$ 23,330		\$ 23,330
91000	Total Operating-Administrative	\$ 229,045	\$ -	\$ 229,045	\$ 4,044	\$ -	\$ 233,089	\$ -	\$ 233,089
92000	Asset Management Fee						\$ -		\$ -
92100	Tenant services - salaries		\$ -				\$ -		\$ -
92200	Relocation Costs		\$ -				\$ -		\$ -
92300	Employee benefit contributions - tenant services		\$ -				\$ -		\$ -
92400	Tenant services - other	\$ 35	\$ -	\$ 35			\$ 35		\$ 35
92500	Total Tenant Services	\$ 35	\$ -	\$ 35	\$ -	\$ -	\$ 35	\$ -	\$ 35
93100	Water	\$ 35,700	\$ -	\$ 35,700	\$ -	\$ -	\$ 35,700		\$ 35,700
93200	Electricity	\$ 15,464	\$ -	\$ 15,464	\$ -	\$ -	\$ 15,464		\$ 15,464
93300	Gas	\$ 2,426	\$ -	\$ 2,426	\$ -	\$ -	\$ 2,426		\$ 2,426
93400	Fuel		\$ -				\$ -		\$ -
93500	Labor		\$ -				\$ -		\$ -
93600	Sewer	\$ 23,935	\$ -	\$ 23,935	\$ -	\$ -	\$ 23,935		\$ 23,935
93700	Employee benefit contributions - utilities		\$ -				\$ -		\$ -
93800	Other utilities expense		\$ -				\$ -		\$ -
93000	Total Utilities	\$ 77,525	\$ -	\$ 77,525	\$ -	\$ -	\$ 77,525	\$ -	\$ 77,525
94100	Ordinary maintenance and operations - labor	\$ 112,503	\$ -	\$ 112,503	\$ 20,483		\$ 132,986		\$ 132,986
94200	Ordinary maintenance and operations - materials and other	\$ 40,421	\$ -	\$ 40,421	\$ 5,624	\$ -	\$ 46,045		\$ 46,045
94300	Ordinary Maintenance and Operations Contracts	\$ 84,770	\$ -	\$ 84,770	\$ -	\$ -	\$ 84,770		\$ 84,770
94500	Employee benefit contribution - ordinary maintenance	\$ 64,453	\$ -	\$ 64,453	\$ -	\$ -	\$ 64,453		\$ 64,453
94000	Total Maintenance	\$ 302,147	\$ -	\$ 302,147	\$ 26,107	\$ -	\$ 328,254	\$ -	\$ 328,254
95100	Protective services - labor		\$ -				\$ -		\$ -
95200	Protective services - other contract costs	\$ 640	\$ -	\$ 640			\$ 640		\$ 640
95300	Protective services - other	\$ -	\$ -	\$ -			\$ -		\$ -
95500	Employee benefit contributions - protective services		\$ -				\$ -		\$ -
95000	Total Protective Services	\$ 640	\$ -	\$ 640	\$ -	\$ -	\$ 640	\$ -	\$ 640

Housing Authority of the City of Idabel
Idabel, Oklahoma
Financial Data Schedule-Cont.
June 30, 2021

Line Item No.	Description	Low Rent	Capital Fund	Project Totals	Public Housing CARES Act	State/Local	Subtotal	Elimination	Total
Income Statement									
96110	Property Insurance	\$ 136,071	\$ -	\$ 136,071	\$ -	\$ -	\$ 136,071		\$ 136,071
96120	Liability Insurance	\$ -	\$ -	\$ -			\$ -		\$ -
96130	Workmen's Compensation	\$ 7,375	\$ -	\$ 7,375			\$ 7,375		\$ 7,375
96140	All other Insurance	\$ 3,706	\$ -	\$ 3,706			\$ 3,706		\$ 3,706
96100	Total Insurance Premiums	\$ 147,152	\$ -	\$ 147,152	\$ -	\$ -	\$ 147,152	\$ -	\$ 147,152
96200	Other general expenses						\$ -		\$ -
96210	Compensated absences	\$ 14,660	\$ -	\$ 14,660	\$ -		\$ 14,660		\$ 14,660
96300	Payments in lieu of taxes	\$ 27,276	\$ -	\$ 27,276	\$ -		\$ 27,276		\$ 27,276
96400	Bad debt - tenant rents	\$ 13,026	\$ -	\$ 13,026	\$ -	\$ -	\$ 13,026		\$ 13,026
96500	Bad debt - mortgages		\$ -	\$ -			\$ -		\$ -
96600	Bad debt - other		\$ -	\$ -			\$ -		\$ -
96800	Severance expense		\$ -	\$ -			\$ -		\$ -
96000	Total Other General Expenses	\$ 54,962	\$ -	\$ 54,962	\$ -	\$ -	\$ 54,962	\$ -	\$ 54,962
96710	Interest of Mortgage (or Bonds) Payable				\$ -	\$ -	\$ -		\$ -
96720	Interest on Notes Payable (Short and Long Term)						\$ -		\$ -
96730	Amortization of Bond Issue Costs						\$ -		\$ -
96700	Total Interest Expense and Amortization Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
96900	Total Operating Expenses	\$ 811,506	\$ -	\$ 811,506	\$ 30,151	\$ -	\$ 841,657	\$ -	\$ 841,657
97000	Excess Revenue Over Operating Expenses	\$ 523,227	\$ 384,379	\$ 907,606	\$ -	\$ -	\$ 907,606	\$ -	\$ 907,606
97100	Extraordinary maintenance	\$ 42,388	\$ -	\$ 42,388	\$ -		\$ 42,388		\$ 42,388
97200	Casualty losses- Non-capitalized	\$ 318,377	\$ -	\$ 318,377	\$ -		\$ 318,377		\$ 318,377
97300	Housing assistance payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
97350	HAP Portability-in		\$ -	\$ -			\$ -		\$ -
97400	Depreciation expense	\$ 315,227	\$ -	\$ 315,227	\$ -	\$ -	\$ 315,227		\$ 315,227
97500	Fraud losses		\$ -	\$ -			\$ -		\$ -
97800	Dwelling units rent expense		\$ -	\$ -			\$ -		\$ -
90000	Total Expenses	\$ 1,487,498	\$ -	\$ 1,487,498	\$ 30,151	\$ -	\$ 1,517,649	\$ -	\$ 1,517,649
10010	Operating transfer in	\$ 14,959	\$ -	\$ 14,959			\$ 14,959	\$ (14,959)	\$ -
10020	Operating transfer out	\$ -	\$ (14,959)	\$ (14,959)			\$ (14,959)	\$ 14,959	\$ -
10030-010	Not For Profit		\$ -	\$ -			\$ -		\$ -
10030-020	Partnership		\$ -	\$ -			\$ -		\$ -
10030-030	Joint Venture		\$ -	\$ -			\$ -		\$ -
10030-040	Tax Credit		\$ -	\$ -			\$ -		\$ -
10030-050	Other		\$ -	\$ -			\$ -		\$ -
10030-060	Other - Comment		\$ -	\$ -			\$ -		\$ -
10030	Operating transfers from / to primary government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
10040	Operating transfers from / to component unit		\$ -	\$ -			\$ -		\$ -
10070	Extraordinary items, net gain/loss		\$ -	\$ -			\$ -		\$ -
10080	Special items, net gain/loss		\$ -	\$ -			\$ -		\$ -
10091	Inter Project Excess Cash Transfer In		\$ -	\$ -			\$ -		\$ -
10092	Inter Project Excess Cash Transfer Out		\$ -	\$ -			\$ -		\$ -
10093	Transfers between Programs and Projects - in		\$ -	\$ -			\$ -		\$ -
10094	Transfers between Programs and Projects - out		\$ -	\$ -			\$ -		\$ -
10100	Total other financing sources (uses)	\$ 14,959	\$ (14,959)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10000	Excess (Deficiency) of Revenue Over (Under) Expenses	\$ (137,806)	\$ 369,420	\$ 231,614	\$ -	\$ -	\$ 231,614	\$ -	\$ 231,614
11020	Required Annual Debt Principal Payments				\$ -	\$ -	\$ -		\$ -
11030	Beginning equity	\$ 5,039,523	\$ -	\$ 5,039,523	\$ -	\$ (196,878)	\$ 4,842,645		\$ 4,842,645
11040-010	Prior period adjustments, equity transfers, and correction of errors	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
11040-070	Equity Transfers	\$ 369,420	\$ (369,420)	\$ -	\$ -	\$ -	\$ -		\$ -
11040	Prior period adjustments, equity transfers, and correction of errors	\$ 369,420	\$ (369,420)	\$ -	\$ -	\$ -	\$ -		\$ -
11190	Unit Months Available	2,229	-	2,229	-	-	2,229		2,229
11210	Unit Months Leased	2,137	-	2,137	-	0	2,137		2,137
11270	Excess Cash	\$ 1,005,039	\$ -	\$ 1,005,039	\$ -	\$ -	\$ 1,005,039		\$ 1,005,039
11610	Land Purchases						\$ -		\$ -
11620	Building Purchases	\$ -	\$ 369,420	\$ 369,420			\$ 369,420		\$ 369,420
11630	Furniture & Equipment-Dwelling Purchases	\$ -	\$ -	\$ -			\$ -		\$ -
11640	Furniture & Equipment-Administrative Purchases	\$ -	\$ -	\$ -			\$ -		\$ -
11650	Leasehold Improvements Purchases	\$ -	\$ -	\$ -			\$ -		\$ -
11660	Infrastructure Purchases						\$ -		\$ -
13510	CFFP Debt Service Payments						\$ -		\$ -
13901	Replacement Housing Factor Funds						\$ -		\$ -



P.O. Box 2663
Ada, OK 74821
580-332-4802
www.urlaubaccounting.com

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
*GOVERNMENT AUDITING STANDARDS***

Board of Commissioners
Housing Authority of the City of Idabel
Idabel, Oklahoma

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Housing Authority of the City of Idabel, as of and for the year ended June 30, 2021, and the related notes to the financial statements which collectively comprise the Housing Authority of the City of Idabel's basic financial statements, and have issued our report thereon dated September 14, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Housing Authority of the City of Idabel's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion of the effectiveness of the Housing Authority of the City of Idabel's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the City of Idabel's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Housing Authority of the City of Idabel's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiency 2021-001.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Housing Authority of the City of Idabel's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Housing Authority of the City of Idabel's Response to Findings

The Housing Authority of the City of Idabel's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The Housing Authority of the City of Idabel's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of the internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness on the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Urlaub & Co., PLLC

Urlaub & Co., PLLC
Ada, Oklahoma
September 14, 2022



P.O. Box 2663
Ada, OK 74821
580-332-4802
www.urlaubaccounting.com

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY
THE UNIFORM GUIDANCE**

Board of Commissioners
Housing Authority of the City of Idabel
Idabel, Oklahoma

Report on Compliance for the Major Federal Program

We have audited the Housing Authority of the City of Idabel's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Housing Authority of the City of Idabel's major federal programs for the year ended June 30, 2021. The Housing Authority of the City of Idabel's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Housing Authority of the City of Idabel's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on the major federal program occurred. An audit includes examining, on a test basis, evidence about the Housing Authority of the City of Idabel's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the Housing Authority of the City of Idabel's compliance.

Opinion on the Major Federal Program

In our opinion, the Housing Authority of the City of Idabel's complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of the Housing Authority of the City of Idabel's is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Housing Authority of the City of Idabel's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the City of Idabel's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Urlaub & Co., PLLC

Urlaub & Co., PLLC
Ada, Oklahoma
September 14, 2022

Housing Authority of the City of Idabel
Idabel, Oklahoma
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2021

2019-1 Lack of Segregation of Duties
See current finding 2021-001.

Housing Authority of the City of Idabel
Idabel, Oklahoma
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021

Section I - Summary of Auditor's Results

Financial Statements

The auditor's report expresses an unmodified opinion on the financial statements of the Housing Authority of the City of Idabel.

Internal control over financial reporting:		
• Material weakness identified?	Yes	X No
• Significant deficiencies identified?	X Yes	None reported
Noncompliance material to financial statements?	Yes	X No

Federal Awards

Internal control over major programs:		
• Material weakness identified?	Yes	X No
• Significant deficiencies identified?	Yes	X None reported

The auditor's report issued on compliance for major programs expresses an unmodified opinion.

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	Yes	X No
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Identification of major federal programs:

CFDA #14.850

Low Rent Housing Program

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee?	X Yes	No
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Housing Authority of the City of Idabel
Idabel, Oklahoma
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021

Section II – Financial Statements Findings

SIGNIFICANT DEFICIENCY

2021-001 Lack of Segregation of Duties

Criteria: Internal control is a process, effected by the Housing Authority's board of directors, management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the following categories: effectiveness and efficiency of operations, reliability of financial reporting, and compliance with applicable laws and regulations.

Condition: Due to the limited employees and resources available to the Housing Authority of the City of Idabel, many aspects of the internal control structure that rely on segregation of duties are missing. Specific accounting processes noted that are affected by the lack of segregation of duties include: Cash disbursements, payroll disbursements, cash receipting, and specific reporting functions required for the Housing Authority.

Context: During our analysis of the internal control structure, we noted that the structure was limited due to the number of employees and economic resources available to the Housing Authority of the City of Idabel. Many aspects needed to implement an acceptable internal control process are not feasible.

Effect: Due to the limitations of the internal control system, a potential material misstatement of the financial statements may not be prevented or detected.

Recommendation: Although the Housing Authority does not have enough resources to completely address this issue; steps can be taken to reduce the risk. Steps that can be taken are to have the board of directors become a more active component of the internal control system and to formalize the internal control procedures of the Authority. From a practical point, a cost/benefit analysis must be performed to determine if the benefit arrived is worth the potential additional cost incurred. In many cases, the cost will be too high to fully implement the needed controls.

Reply: Segregation of duties by the Idabel Housing Authority is limited due to the small number of employees and the economic resources that are available. The administrative staff has segregate duties as much as possible.

Section III – Federal Award Findings and Questioned Costs

U.S. Department of Housing and Urban Development

14.850 – Low Rent Housing Program

None

HOUSING AUTHORITY OF THE CITY OF IDABEL, OKLAHOMA
CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2021

The Housing Authority of the City of IDABEL, OKLAHOMA respectfully submits the following corrective action plan for the year ended June 30, 2021.

Name and Address of independent account firm:

Urlaub & Co., PLLC
P.O. Box 2663
Ada, OK 74821

Audit Period: June 30, 2021

The finding from the June 30, 2021 schedule of findings and questioned costs are discussed below.

SECTION II – Financial Statement Findings

2021-001 Lack of Segregation of Duties

Response: Segregation of duties by the Idabel Housing Authority is limited due to the small number of employees and the economic resources that are available. The administrative staff has segregate duties as much as possible.

SECTION III – Federal Award Findings and Questioned Costs

14.850 – Low Rent Housing Program

None

Sincerely,

IDABEL HOUSING AUTHORITY

Dana Logan
Executive Director



P.O. Box 2663
Ada, OK 74821
580-332-4802
www.urlaubaccounting.com

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Commissioners
Housing Authority of the City of Idabel
Idabel, Oklahoma

We have performed the procedures enumerated in the second paragraph, which were agreed to by the Housing Authority of the City of Idabel (the Housing Authority) and the U.S. Department of Housing and Urban Development, Real Estate Assessment Center (REAC), on whether the electronic submission of certain information agrees with related hard copy documents included within the reporting package. The Housing Authority and the Housing Authority's Management is responsible for the accuracy and completeness of the electronic submission. The sufficiency of the procedure is solely the responsibility of the Housing Authority of the City of Idabel and REAC. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

We compared the electronic submission of the items listed in the "UFRS Rule Information" column with the corresponding printed documents listed in the "Hard Copy Documents" column. The associated findings from the performance of our agreed-upon procedure indicate agreement or non-agreement of the electronically submitted information and hard copy documents as shown in the attached chart.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on whether the electronic submission of the items listed in the "UFRS Rule Information" column agrees with the related hard copy documents within the audit reporting package. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We were engaged to perform an audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, for the Housing Authority as of and for the year ended June 30, 2021, and have issued our reports thereon dated September 14, 2022. The information in the "Hard Copy Documents" column was included within the scope or was a by-product of that audit. Further, our opinion on the fair presentation of the supplementary information dated September 14, 2022, was expressed in relation to the basic financial statements of the Housing Authority taken as a whole.

A copy of the reporting package which includes the auditor's reports, is available in its entirety from the Housing Authority. We have not performed any additional auditing procedures since the date of the aforementioned audit report. Further, we take no responsibility for the security of the information transmitted electronically to the U.S. Department of Housing and Urban Development, REAC.

The purpose of this report on applying the agreed upon procedures is solely to describe the procedure performed on the electronic submission of the items listed in the “UFRS Rule Information” column and the associated findings, and not to provide an opinion or conclusion. Accordingly, this report is not suitable for any other purpose.

Urlaub & Co., PLLC

Ada, Oklahoma

September 14, 2022

**ATTACHMENT TO INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-
UPON PROCEDURES**

Procedure	UFRS Rule Information	Hard Copy Documents	Findings
1	Balance Sheet, Revenue and Expense (data line 111 to 13901)	Financial Data Schedule	Agrees
2	Footnotes (data element G5000-010)	Footnotes to audited basic financial statements	Agrees
3	Type of opinion on FDS (data element G3100-040)	Auditor's supplemental report on FDS	Agrees
4	Audit findings narrative (data element G5200-010)	Schedule of Findings and Questioned Costs	Agrees
5	General information (data element series G2000, G2100, G2200, G9000, G9100)	OMB Data Collection Form	Agrees
6	Financial statement report information (data element G3000-010 to G3000-050)	Schedule of Findings and Questioned costs, Part 1 and OMB Data Collection Form	Agrees
7	Federal program report information (data element G4000-020 to G4000-040)	Schedule of Findings and Questioned costs, Part 1 and OMB Data Collection Form	Agrees
8	Type of Compliance Requirement (G4200-020 & G4000-030)	OMB Data Collection Form	Agrees
9	Basic financial statements and auditor reports required to be submitted electronically	Basic financial statements (inclusive of auditor reports)	Agrees